

Service Date: November 12, 1997

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

IN THE MATTER of the Application	)	
of PACIFIC POWER & LIGHT COMPANY	)	
(now PACIFICORP) for an Order	)	UTILITY DIVISION
Authorizing it to Enter into an	)	
Umbrella Loan Agreement with	)	DOCKET NO. D97.10.195
Certain of its Subsidiaries for Not	)	
More Than \$200,000,000 and to Issue	)	DEFAULT ORDER NO. 6023
Promissory Notes to Evidence the	)	
Short-Term Indebtedness.	)	

On February 1, 1983, Pacific Power & Light Company (now PacifiCorp) (the "Company"), a corporation organized and existing under and by virtue of the laws of the State of Oregon and qualified to transact business in Montana, filed with the Montana Public Service Commission its verified application, pursuant to . . 69-3-501 through 69-3-507, MCA requesting an order authorizing the Company to enter into an Umbrella Loan Agreement (the "Agreement") with certain of its subsidiaries to borrow short-term under the Agreement in aggregate principal amounts of not more than \$200,000,000, and to issue promissory notes to evidence the indebtedness. The Agreement also provides for the subsidiaries to borrow from the Company to the same extent it allows the Company to borrow from the subsidiaries. On February 15, 1983, the Commission granted the requested authority in Docket No. 83.2.8 Default Order No. 4962.

On October 20, 1997, the Company filed an amendment to its original application requesting an order authorizing the Company to borrow from its subsidiaries and issue promissory notes to its subsidiaries without limitation provided that such borrowings bear interest at rates which do not exceed the interest rates which the Company would otherwise incur externally. All other

terms and conditions under Docket No. 83.2.8, Default Order No. 4962 would remain the same. The \$200,000,000 limitation on loans to subsidiaries would not be changed.

Having fully considered the application and all of the exhibits, documents and matters pertaining thereto, the Commission makes the following Findings of Fact and Conclusions of Law, together with the Order based thereon:

#### FINDINGS OF FACT

1. The Company is a corporation organized and existing under and by virtue of the laws of the State of Oregon and is qualified to transact business in the State of Montana.
2. The Company is operating as a public utility as defined in . 69-3-101, MCA, and engaged in furnishing electric service in Montana.
3. This Commission has jurisdiction over the subject matter of this amended application pursuant to the provisions of . 69-3-102, MCA.
4. The Company represents that the proposed issuance of securities, as amended, will be substantially as set forth in its original application in this Docket.

#### CONCLUSIONS OF LAW

1. The proposed issuances of short-term indebtedness to which the amended application relates will be for lawful objects within the corporate purposes of the Company. The method of financing is proper. The amended application should be approved.

#### ORDER

1. NOW, THEREFORE, IT IS HEREBY ORDERED, that the amended application of the Company to borrow from its subsidiaries and issue promissory notes to its subsidiaries without limitation provided that such

borrowings bear interest at rates which do not exceed the interest rates which the Company would otherwise incur externally is hereby approved.

2. IT IS FURTHER ORDERED, that except as modified by this Order, the Commission's Docket No. 83.2.8, Default Order No. 4962 issued on February 15, 1983 shall remain in full force and effect.

3. IT IS FURTHER ORDERED, that nothing in this Order shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever, any securities authorized, assumed or guaranteed hereunder.

4. IT IS FURTHER ORDERED, that the issuance of an Order authorizing the proposed financing does not constitute determination or approval of the type of financing or the related costs for rate making purposes, which determination the Commission expressly reserves for the appropriate proceeding.

5. IT IS FURTHER ORDERED, that this Order shall be effective upon execution.

DONE AND DATED at Helena, Montana, this 3rd day of November, 1997,  
by a vote of 5 to 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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DAVE FISHER, Chairman

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NANCY McCAFFREE, Vice Chair

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BOB ANDERSON, Commissioner

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DANNY OBERG, Commissioner

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BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.